REMARKS

Claim 1 is amended. Claims 8-10 are cancelled in favor of new Claims 11-22. Claims 1-7 and 11-22 are pending. Favorable reconsideration is respectfully requested.

Claims 1-9 and 13-24 are pending. Favorable reconsideration is respectfully requested.

At the outset, Applicants thank Examiner Anderson for indicating that the enclosed 132 Declaration in combination with the reference provided herewith (demonstrating that compounds known to interact with PPAR can be mixed with a suitable carrier) would further favorable prosecution of the present application. Further, Applicants thank Examiner Anderson for helpful comments during the discussion held on July 30, 2003, and in the Office Action for overcoming the rejections. Finally, Applicants thank the Examiner for indicating that Claims 3, 4, 7, and 8 are allowable.

The rejection of Claims 1-10 under 35 U.S.C. § 103(a) over US 5,061,717 (US'717) and EP 0 846 693 (EP'693) or in any combination is traversed below.

At best, US'717 discloses a thiazolidinedione. However, US'717 fails to disclose that the thiazolidinedione containing a methoxy substituent on a benzamide ring.

At best, EP'693 discloses a benzyldioxothiazolidylbenzamide compounds. However, EP'693 fails to disclose that the benzylthiazolidione compound contains a CH_2NHCO phenyl, phenoxy, or benzyloxy at a site equivalent to A in formula (I) in Claim 1.

The claimed invention relates, in part, to benzylthiazolidine-2,4-dione derivatives that may contain a methoxy substitutent as R3 in formula (I) (see Claim 1 above). Further, the claimed compounds may contain a phenyl, phenoxy, or benzyloxy at the position A.

In light of the above, none of the references disclose or suggest the claimed compounds. Further, there is no motivation found in any of the references to modify the disclosures therein to obtain the claimed compounds. Accordingly, no *prima facia* case of obviousness can possibly exist; and therefore, withdrawal of these grounds of rejection is respectfully requested.

In arguendo, if the Office maintains that a *prima facia* case of obviousness does exist, Applicants respectfully submit that none of the references provide sufficient specificity in the disclosures therein to obtain the claimed compounds. Further, one reading these disclosures would not have expected the surprisingly superior results of the claimed compounds. The Applicants provide herewith, a 132 Declaration, which is a set of experiments comparing the efficacy of compounds 17, 22, 23, and 28 disclosed by EP'693 with compounds 1-3 embodied by the claimed invention in their abilities to exhibit lipid-lowering action based upon their agonist activities on PPAR (human peroxisome proliferator-activated receptor) alpha and their blood sugar-lowering action based on their agonist activity on PPAR gamma.

The Office is reminded that the Examiner suggested that such a comparative data study be submitted in support of the patentability of the claimed invention. At the above-mentioned Interview, the Examiner specifically requested comparative data provided for the above compounds. Further, Examiner Anderson kindly indicated at the Interview and in the Office Action at the bottom of page 3 that the signed 132 Declaration would obviate the outstanding rejections over the cited prior art.

As an overview, the data in the 132 Declaration clearly demonstrate that the claimed compounds are superior in their dual agonist activity on PPAR alpha and gamma. In Table 3 of the present specification (reproduced as Table A in the 132 Declaration), it is clearly demonstrated that the claimed compounds show strong transactivation to both PPAR alpha and gamma. The same experimental conditions were used test the transactivation activities of the compounds 17, 22, 23, and 28 disclosed by EP'693 (see Table B in the 132 Declaration). The data of Table B demonstrates that, although compounds 17, 22, 23, and 28 disclosed by EP'693 are capable of activating PPAR gamma, they can not activate PPAR alpha even al concentrations as high as 10 μmol/L.

In direct contrast to the compounds disclosed by EP'693, the claimed compounds are capable of activating PPAR alpha quite readily. Further, the claimed compounds are capable of strongly activating PPAR gamma. Therefore, the claimed compounds are clearly superior in their surprising dual agonist capabilities with regards to PPAR alpha and gamma compared to the compounds disclosed by EP'693. Accordingly, the claimed compound may have both lipid-lowering and blood glucose-lowering capabilities, while those disclosed by EP'693 can not.

In light of the above discussion and the 132 Declaration attached hereto, it is clear that none of the cited references provide sufficient specificity to make the claimed compounds. Further, Applicants have provided data in the 132 Declaration (as requested by the Examiner) which clearly demonstrates the surprisingly superior qualities of the claimed compounds (e.g. dual agonist activating activity of PPAR alpha and gamma).

The objection to the specification and the rejection of Claims 20 and 22 under 35 U.S.C. § 112, second paragraph, are obviated by the submission of the attached

references which are cited on the enclosed Information Disclosure Statement (IDS). The Office's attention is drawn to column 10 of USP 5,753,681 (USP'681), filed March 17, 2002 and Issued May 18, 1998, and throughout WO 03/045945 (WO'945) which clearly provide evidence that the skilled artisan would recognize that compounds that interact with PPAR can be administered, in part, by being mixed with a suitable carrier when being formulated. Accordingly, withdrawal of this ground of rejection is respectfully requested.

Accordingly, withdrawal of these grounds of objection and rejection are respectfully requested.

Applicants respectfully submit that the present application is now in condition for allowance. Favorable reconsideration is respectfully requested. Should anything further be required to place this application in condition for allowance, the Examiner is requested to contact Applicants' Attorney by telephone.

Respectfully submitted,

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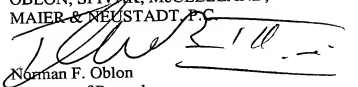

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